

## TRICARE ELIGIBILITY VERIFICATION PROCEDURES

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### 1.0. GENERAL

#### 1.1. Eligibility Verification Through DEERS

There are two types of eligibility verification, enrollment eligibility verification and pre-payment verification. For enrollment eligibility verification, the contractor shall use the DEERS Desktop Eligibility/Enrollment Application to check eligibility prior to enrolling beneficiaries into TRICARE Prime. The pre-payment eligibility verification is what this section of Chapter 9 is addressing.

The contractor shall install a prepayment eligibility verification system into its TRICARE operation that will result in a query against DEERS for TRICARE claims and adjustments. The interface should be conducted early in the claims processing system to assure extensive development/claims review is not done on claims for ineligible beneficiaries. A query to DEERS is required each time any action, other than the exceptions listed below, is taken on a claim. A query is possible under two conditions: If a query has been previously made and the name and date of birth were matched with DEERS and loaded to the contractor's file; or for first time claimants a pseudo DDS of 75 is used with the sponsor SSN and patient date of birth to make the query. This query is sent to DEERS, and depending on the results of the SSN, and date of birth matches, a "Type 3 or 4" DEERS Eligibility Response Record is generated, as specified in [Addendum E](#).

#### 1.2. Exceptions to the DEERS Eligibility Query Process

1.2.1. Claims containing only services that will be totally denied and no monies are to be applied to the deductible.

1.2.2. There are two exceptions to the requirement for sending a query for TRICARE adjustments. No query is needed for:

1.2.2.1. Negative Adjustments

1.2.2.2. Total Cancellations

#### 1.3. Sending a Query for Eligibility to DEERS

1.3.1. Current systems perform two functions - establish that the claimant is on the DEERS data base and the determination of the claimant's eligibility at the time of the treatment. In the identification function, DEERS will use its data base to attempt to locate the beneficiary indicated on the query by matching on:

**1.3.1.1. Sponsor's SSN**

**1.3.1.2. Sponsor's Last Name (first five characters)**

**1.3.1.3. Patient's date of birth (YYYYMMDD)**

**1.3.2. Standard DEERS Eligibility Query and DEERS Eligibility Response Record Formats**

Record formats have been established for identification and eligibility queries and for family and eligibility responses As identified in [Addendum E](#). These formats are applicable to all systems. Modifications will only be made to them when the change is approved through established procedures.

**1.3.3. DEERS Dependent Suffix**

A valid DEERS Dependent Suffix (DDS) is not critical in a query unless there are multiple DOB matches. In this case, the DDS will be used to determine the individual for whom eligibility is to be checked. If a family's DDS (i.e., DDS 75) is used, or the individual's DDS on the query does not match any of the people with DOB matches, all data pertaining to those individuals who have DOB matches will be returned to the contractor.

**1.4. One-Step DEERS Eligibility Query**

**1.4.1.** DEERS can be queried using either a one-step process or a two step process. A one-step query is possible under two conditions:

**1.4.1.1.** If a Type 1 query has been previously made and the name and date of birth were matched with DEERS and loaded onto the contractor file.

**1.4.1.2.** If a contractor wished to bypass the Identification Query for first time claimants and proceed directly to a Type 2 Eligibility Query, using a pseudo DDS and the unmatched sponsor name and patient date of birth.

**1.4.2.** The one-step Type 2 query is sent to DEERS, and depending on the results of the SSN, name, and date of birth matches, a Type 3 or 4 response record is generated as outlined, above.

**1.5. Two-Step DEERS Eligibility Query**

**1.5.1.** The contractor may elect to use the two-step query for a beneficiary if a DEERS provided and verified sponsor name and date of birth are not on file. Absence of the data will usually indicate that the contractor has not previously queried DEERS for eligibility on the individual. The decision will be influenced by the contractor claims processing system work flow and logic.

**1.5.2.** Utilizing the Identification Query - Type 1 record format, the contractor's system will query the DEERS system to determine if the claimant's record is on the DEERS data base. Using the criteria indicated above, DEERS will attempt to match the incoming record with a record on DEERS.

1.5.2.1. If a match is made, a DEERS Response Record - Type 3 will be returned to the contractor. As soon as practical, after the Type 3 response record is returned by DEERS, the contractor will transmit an Eligibility Query -Type 2 Record Format. The DEERS eligibility response will be in the form of another Type 3 Record.

1.5.2.2. If no match is made on the SSN, a Type 3 response record will be sent by DEERS to notify the contractor of this condition.

1.5.2.3. If a match is made on the SSN, but sponsor last name and/or patient date of birth do not match, a DEERS Sponsor-Family Transaction Response Record - Type 4 will be generated by DEERS. This record sends data on all enrolled family members to allow the to display and review the data in an attempt to select the correct beneficiary for requery. If the contractor does select a family member, a Type 2 requery is made, using the name and date of birth from the DEERS data base and, in some cases, generating a Discrepancy Record on the mismatch. If the contractor is unable to select a family member as the individual for whom an eligibility determination is needed, the contractor will follow the instruction outlined in the **DEERS Eligibility Response Processing Section**.

1.5.2.4. If a match is made on the SSN, and on the sponsor's last name, but more than one date of birth match is found, a "DEERS Sponsor - Family Transaction Response Record - Type 4" will be returned containing only those individuals with DOB matches, with a DEERS Data Discrepancy Code 12.

1.5.2.5. The contractor shall query DEERS for outpatient eligibility for NATO beneficiaries using the 900 series Foreign Identification Number (FIN) on the NATO ID-Card. All eligibility exception handling procedures identified in [Chapter 9, Section 5](#) will also apply to NATO beneficiaries.

## 1.6. Multiple Eligibility Segments

1.6.1. It is possible to receive multiple eligibility response segments from a single query.

1.6.1.1. A change in sponsor's status occurred during the treatment period which would impact eligibility or payment amounts for family member care; e.g., a sponsor's status changes from active duty to retired.

TRICARE STANDARD EXAMPLE: In a case where the sponsor is the patient, the DEERS response would contain two segments. The first segment would indicate ineligible while on active duty (Eligibility Code "60" with an Alternate Care Flag "N" - No TRICARE privileges - dates on this segment) will be the "from" date of treatment through last day of active duty and the second segment would include an eligible determination (Eligibility Code "50" with an alternate Care Flag "N" - TRICARE Eligible - dates on this segment will be first day of retirement through the "to" date of treatment).

If the claim is for a family member, the DEERS response will be two segments, both containing an eligible determination (Eligibility Code "50" with Alternate Care Flag "N"). The dates on the first segment will be the "from" date of treatment through the last day of active duty; the second segment dates will be the first day of retirement through the "to" date of treatment. The sponsor's status on the first segment will indicate active duty; the

sponsor's status on the second segment will indicate retired. This would signal the variation in payment amounts.

TRICARE PRIME EXAMPLE: Again, in a case where the sponsor is the patient, the DEERS response would contain two segments. The first segment would indicate ineligible while on active duty (Eligibility Code "60" with an Alternate Care Flag "N" - No TRICARE privileges - dates on this segment) will be the "from" date of treatment through last day of active duty. Had the sponsor not yet already enrolled in Prime, the second segment would include an eligible determination (Eligibility Code "50" with an alternate Care Flag "N" - TRICARE Eligible - dates on this segment will be first day of retirement through the "to" date of treatment unless he enrolled in TRICARE Prime in the interim, which would result in a third segment showing eligibility code "60" with an alternate Care Flag "E" for TRICARE Prime Enrollment).

If the claim is for a family member enrolled in TRICARE Prime, the DEERS response will be two segments, both containing an eligible determination (Eligibility Code "60" with Alternate Care Flag "E"). The dates on the first segment will be the "from" date of treatment through the last day of active duty; the second segment dates will be the first day of retirement through the "to" date of treatment even though the TRICARE Prime Enrollment for the beneficiary has been contiguous. The sponsor's status on the first segment will indicate active duty; the sponsor's status on the second segment will indicate retired. This would signal the variation in payment amounts.

1.6.1.2. A multiple date of birth match was encountered by DEERS. If a pseudo DDS is used, or if the DDS does not match an individual with a DOB match, all members with a DOB match will be returned. If a pseudo DDS is not used and that DDS matches one of the individuals who has a DOB match, eligibility will be checked on that one individual.

1.6.2. The **above** examples are not all-inclusive; it should be noted that the multiple segments will be returned whenever there is a change to the "Reason For Change Code, DMIS-ID Code, PCM Location Code, or Alternate Care Flag" during a treatment period.

## 1.7. Audit Trail

For audit and performance review purposes, the contractor will be required to retain a copy of every query sent and response received. This information is to be retained for the same period as the hard copy claims are retained.